

memorandum

DATE: November 13, 2015

TO: Marlene H. Dortch, Secretary, Federal Communications Commission

FROM: William T. Lake, Chief, Media Bureau *Wm T. Lake*

SUBJECT: Applications of Charter Communications, Inc., Time Warner Cable Inc., and Advance/Newhouse Partnership for Consent to Assign or Transfer Control of Licenses and Authorizations, MB Docket No. 15-149

The Media Bureau requests that the following exhibits based on Commission data be entered into the record of the above-captioned assignment and transfer of control proceeding.

We make no determination at this time concerning contested matters in this proceeding. We seek to facilitate informed discussion. The Commission is in possession of the most up-to-date and comprehensive subscriber data – collected as of December 2014. We make the data available for the purpose of receiving informed input in this proceeding. In addition to Form 477 subscriber totals for the Applicants and other providers in the aggregate, both nationally (Exhibit 1) and in the Applicants' proposed footprints (Exhibit 2), we provide the number of wired, residential broadband providers offering a variety of broadband speeds in the Applicants' proposed footprints (Exhibit 3) and subscriber totals by technology at various broadband speeds (Exhibit 4).

Exhibit 1 provides the Applicants' residential broadband subscriber totals nationally (before and after the proposed transactions), based on Form 477 data collected for the period ending December 2014.¹ The exhibits present subscriber totals for fixed residential broadband services only.² This is consistent with the Commission's decision to date to exclude mobile service data from its finding pursuant to 47 U.S.C. § 1302(b). The Commission has noted that available data concerning mobile services appear to be unreliable and overstate deployment.³

¹ The Applicants' broadband businesses have continued to grow since the transaction proceeding began earlier this year. Charter and Time Warner Cable have made net additions of over 1 million broadband subscribers since filing their Form 477 reports as of December 31, 2014, the most recent period for which overall subscriber data has been reported. See Time Warner Cable Inc., Investor Relations, Third Quarter 2015 Trending Schedules, p. 7, <http://ir.timewarnercable.com/investor-relations/default.aspx> (reporting a net addition of 719,000 residential high-speed data subscribers in 2015); Charter Communications Inc., 3Q2015 Trending Schedule, p. 2, <http://phx.corporate-ir.net/phoenix.zhtml?c=112298&p=irol-irhome> (reporting a net addition of 327,000 Internet customers in 2015). Because Advance/Newhouse is not a publicly held company, they did not report subscriber increases for Bright House Networks.

² The exhibits are based on "fixed residential" broadband services, which include fixed wireless and satellite, as reported on Form 477.

³ See *Inquiry Concerning the Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion, and Possible Steps to Accelerate Such Deployment Pursuant to Section 706 of the Telecommunications Act of 1996, as Amended by the Broadband Data Improvement Act*, 2015 Broadband Progress

Exhibit 2 provides estimates of the Applicants' residential broadband subscriber totals at a variety of broadband speeds within their proposed footprints (before and after the proposed transactions). A provider's footprint is defined as all tracts where a given provider has at least one residential subscriber today. The total number of broadband subscribers within any particular provider's footprint includes all broadband subscribers in any tract where the particular provider serves at least one subscriber. This means that the particular provider's percentage of subscribers within its footprint likely understates its percentage among households it serves because the denominator likely includes some households that could not be served by the particular provider (i.e., the provider's network likely does not cover the whole tract, but all subscribers in the tract are included).

Exhibit 3 presents the number of wired residential broadband providers for each of the Applicants' proposed footprint areas, by percentage of housing units with either 0, 1, 2, or 3+ providers at a variety of speeds. Additionally, the number of providers is provided at the national level. For this analysis, the category "wired, residential ISPs" includes providers using the following technologies: ADSL, DOCSIS and FTTP (SBI transmission technology codes 10, 40, 41 and 50); it excludes providers who are not facilities-based providers or who focus only on non-residential customers (includes only provider type of 1; excludes end-user-category of 2, 3 or 4).

Exhibit 4 presents residential broadband subscriber totals nationwide by technology (cable, FTTP, DSL, other fixed broadband).

For further information, or to obtain a copy of Highly Confidential information subject to the protective order in this proceeding,⁴ contact Michael Ray, Competition Policy Division, Wireline Competition Bureau, at Michael.Ray@fcc.gov or (202) 418-0357.

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Report and Notice of Inquiry on Immediate Action to Accelerate Deployment, 30 FCC Rcd 1375, 1414-15, ¶¶ 72, 74 (2015).

⁴ *Applications Of Charter Communications, Inc., Time Warner Cable, Inc., And Advance/Newhouse Partnership For Consent To Transfer Control Of Licenses And Authorizations*, MB Docket No. 15-149, Order, FCC 15-110 (rel. Sept. 11, 2015).